



# SEATTLE HOUSING LEVY

## 2012 Report of Accomplishments and Policy Updates for 2014 - 2016

# 2009 Seattle Housing Levy

- \$145 million, 7-year levy
- Funds available 2010 – 2016
- Annual Reports
- Administrative & Financial Plan,  
updated biannually

# 2012 Report of Accomplishments

## Five Levy Programs:

- Rental Production & Preservation, \$104m
- Operating & Maintenance, \$14.4m
- Acquisition & Opportunity Loans, \$6.5m  
Short-term loans using other program funds
- Homebuyer Assistance, \$9.09m
- Rental Assistance, \$4.25m

# Rental Production & Preservation

\$15.6 million  
Levy funds  
to housing  
projects in  
2012

## Meeting Levy Priorities:

- Homeless families, individuals and youth  
2 projects, 117 units
- Seniors and people with disabilities  
4 projects, 204 units
- Low-wage working adults and families  
2 projects, 189 units

## Rehab of existing City-funded housing

- Upgrades to 2 buildings, 239 units

# Rental Production & Preservation

## Rental Housing Performance

### Meeting Affordability Goals

- 60% of funding to housing that serves residents below 30% area median income (\$18,200 one person)

### Exceeding Production Goals

- 508 units in 8 new projects in 2012
- 1,371 units in 3 years, over 80% of levy goal

### Leveraging Public and Private Investment

- Over \$137 million in total capital funds

# Operating & Maintenance

Long-term  
support for  
building  
operations

## Operating and services funds awarded when projects will begin operations

- O&M award: 4261 Aurora Supportive Housing
  - ▣ 71 homeless units, Levy O&M plus 25 SHA vouchers
- Six 2009 Levy projects received operating and services funding to date, including SHA vouchers, federal sources, King County

# Acquisition & Opportunity Loans

Short-term,  
bridge  
financing for  
strategic  
acquisitions

## Responding to market opportunities:

- Haines Apartments: preservation of 30-units with expiring HUD subsidies
- Parker Apartments: conversion of vacant 50-unit building, formerly student housing
- REO Acquisitions: rehab of 20 vacant foreclosed homes for land trust homeownership

# Acquisition & Opportunity – continued

2010-2012:  
loans for six  
rental, two  
ownership  
developments

## Exceeding goals -- Nearing completion

- ❑ Short-term use of other Levy program funds, needed for permanent financing
- ❑ Eight loans to date: will create 225 units, exceeding goal of 175
- ❑ Four loans repaid, projects under construction or completed
- ❑ Community Cornerstones NOFA: will fund 2-4 transit oriented developments in SE Seattle

# Homebuyer Assistance

Loans for first-time home buyers

## Awards to lending programs:

- Homestead Community Land Trust, 15 homebuyers
- Housekey Plus Seattle, 18 homebuyers

## Home purchases:

- 50 loans closed, 11 levy loans
- Average levy loan \$45,614, on track to meet production goal

# Rental Assistance

Funds rent assistance for HSD's Homelessness Prevention Program

## Homelessness prevention and housing stabilization

- Seven community-based nonprofits provide rent assistance and services
- 554 households received short-term rent assistance, averaging \$1,204
- 90% maintained stable housing when rent assistance ended
- 84% in stable housing six months after rent assistance ended



# SEATTLE HOUSING LEVY

Proposed Policy Updates for  
Program Years 2014-2016

# 1. Objectives and Priorities

## Rental Housing Program

- Expand objectives: emphasize households with significant barriers, including criminal record
- Project Location: retain priority for transit access. Increase emphasis on opportunities -- jobs, services, education, etc. -- neighborhood revitalization, and anti-displacement
- Retain priorities for seniors, people with disabilities, low-wage individuals and families. Update priorities for homeless housing.

## 2. Development Siting Policy

### Rental Housing Program

Policy applies to extremely low income housing:  
Projects not approved if more than 20% of total housing units in the area (Census block group) will serve households below 30% of median income.

- Allow early determination of compliance with policy, sponsor can proceed with project planning
- Remove one alternative condition: exception for “neighborhood-supported project” is difficult to implement and never used

# 3. Eligible Borrowers

## Rental Housing Program

- Ability to develop, own, manage housing is a requirement, rather than a priority
- Affordable housing must be part of organization's mission, stated in bylaws/organizational documents
- Continue to encourage partnerships to strengthen applicant capacity, retain access to Levy for community-based providers

# 4. Bridge Loans

## Rental Housing Program

With completion of Levy Acquisition & Opportunity Loans, provide short-term acquisition loans through Rental and Homebuyer programs.

- Community Cornerstones: Up to \$3 million in Levy and federal funds (one time) for acquisition in light rail station areas of Southeast Seattle.
- Bridge Loans: Continue to use up to \$5 million in Levy funding (revolving) for site/building acquisition citywide, using Levy O&M balances

# 4. Bridge Loans - continued

Rental  
Housing  
Program

## Bridge Loan policy changes:

- Allow blended interest rate -- at 3% -- when City funds are combined with other sources
- Add requirements for bridge loan extensions
- Record covenant to ensure affordability

# 5. Supplemental Funding

## Rental Housing Program

### Expand policy for preserving existing City-funded housing

- ❑ Priorities: projects nearing end of City loan, significant leverage funds, extends useful life of building and improves efficiency
- ❑ Owner in good standing on current loan, provides financial contribution and leverage
- ❑ Tailored application, construction requirements, loan terms and conditions

# 6. Homebuyer Program

Combine Levy and HOME/CDBG policies into single set of program policies

- Reformat text, consistent definitions
- Objectives: add neighborhood diversity, reduced commuting times for owners
- Site acquisition/development loans: add policies for short-term bridge loans; must provide long-term affordability via resale restrictions

